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LOGNOTE -- Chief, Operations Group, 12 September 1983

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1. FBN COMPENSATION PLAN -- Met today with

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period step increases under the new FBN classification/
compensation system. As originally proposed by the then C/Admin

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and later adopted, the waiting period currently follows that of the GS scale. The decision to adopt this formula was primarily to allow management use of an effective personnel tool to reward performance of those employees who under previous systems would have reached the maximum step of their highest attainable grade within a relatively short time of achieving that grade, thus fairly quickly precluding the use of PSI or QSI as recognition of continued satisfactory or exceptional performance. However, as noted by several bureau chiefs, this formula would be unfair to some FSN employees transferring to the new scale at higher steps and on some bureau scales would place new hires EOD'd at the higher end of the FBN-7 grade close to or within the 2-year waiting period for PSI's after being promoted upon completion of 1-year training program. The formula was particularly inappropriate in that FSN's normally remain in grade much longer than employees on the GS scale and have much more limited number of grades for career progression.

A compromise solution was agreed upon to the effect that the waiting period for steps 1 through 8 would be 52 weeks, 104 weeks for steps 8 to 10 and 156 weeks for steps 10 to 12. It was agreed that this would prolong management's option to use PSI's and QSI's as recognition of continued satisfactory or exceptional performance for employees in the later stages of their careers while more closely conforming to local embassy practice in expanding the number of steps granted after a 52-week waiting period.

(cc: C/AS, D/FBIS)